



Human Resources

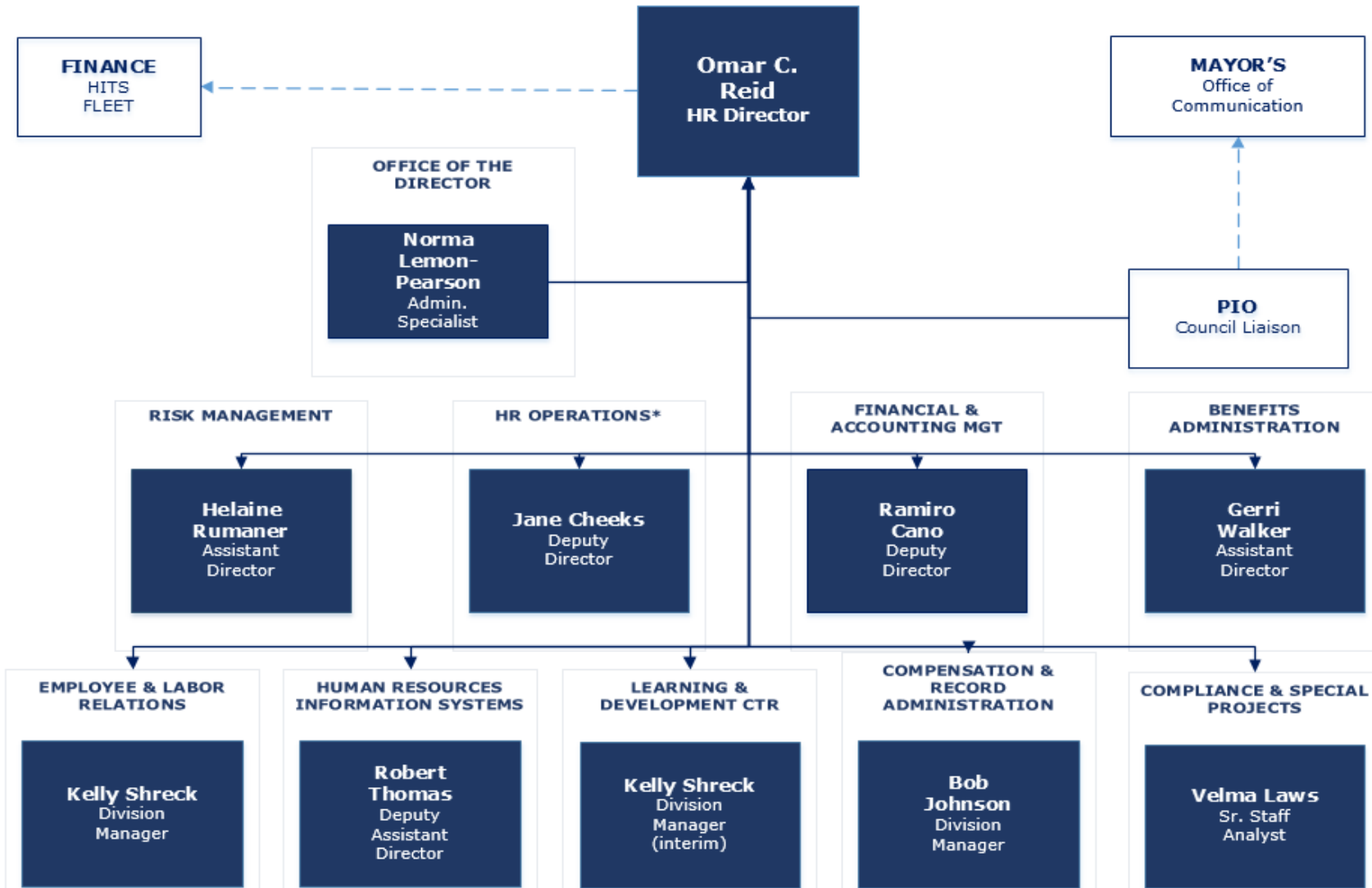
Omar C. Reid, Director

FY2016 Budget Presentation
June 3, 2015

Human resource

Human resource
vital function
corporate environ
is also the name
responsibility for
individuals (i.e.





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Launched the Talent Management System in the cloud

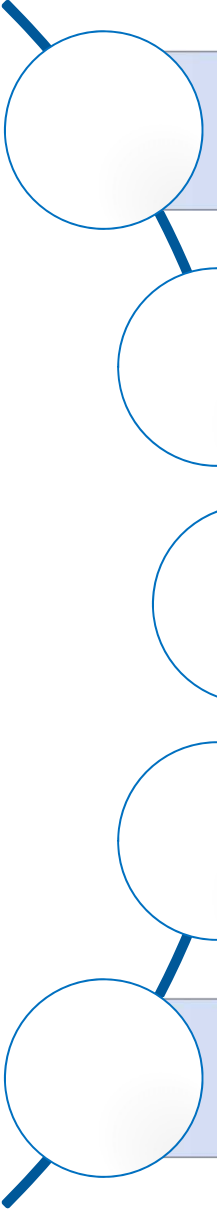
Updated and implemented AP 3-7: Positive Corrective Action Program

Enhanced the comprehensive wellness program that contributed to the Health Benefits Fund Balance of \$42 million

Implemented free prescription asthma and generic hypertension medications for medical plan members

FY 2015 Workers' Compensation injury expense reduction of \$5 million (25%)

Placed 432 youth in Summer Jobs Program

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Hosted 10,000 high school and middle school students at the Find Your Path Career Day Expo

Eliminated Choicelinx and implemented Employee Self-Service (ESS) in SAP yielding an annual savings of \$650,000

Total Compensation Market Study completed and changes under way with Compensation Philosophy to refocus strategy initiatives

City of Houston is ranked as 17th on the social recruitment monitor's website out of 76 US companies that use social media

From 2013 to 2015 firefighter female demographics increased from 103 to 125 (21% increase)

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Continue to reduce Worker's Compensation claims cost and injury count

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Centralize reporting for automobile accidents and injuries for Worker's Compensation

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Expand the Summer Jobs Programs to 480 students

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Expand the Find Your Path Career Day Expo to 12,000 students

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Purchase of LinkedIn Recruiter Suite to allow for continuous employee marketing

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Implement Manager Self-Service (MSS)



Improvement on Strategic Management

Addition of Memorial Hermann Network to the limited plan

No more Wellness points

Implementation of HR's 5 year strategic plan

Examine organizational development (OD) needs across the City and begin the deployment of OD interventions

BUDGET SUMMARY (ALL FUNDS)

FUNDS (in millions)	Revenue FY15 Budget	Revenue FY16 Proposed	Incr./ (Dec.)	%	Expenditure FY15 Budget	Expenditure FY16 Proposed	Incr./ (Dec.)	%	Fund Balance FY15 Budget	Fund Balance FY16 Proposed
Client Relations (1002)	\$12.8	\$15.0	\$2.2	17.2%	\$12.8	\$15.0	\$2.2	17.2%	S	S
Learning & Development Center (1002)	\$1.9	\$2.0	\$0.1	5.3%	\$1.9	\$2.0	\$0.1	5.3%	S	S
Temp. Employee Services (1002)	\$19.7	\$18.0	(\$1.7)	-8.6%	\$19.7	\$18.0	(\$1.7)	-8.6%	S	S
Total Central Svc Revolving Fund (1002)	\$34.4	\$35.0	\$0.6	1.7%	\$34.4	\$35.0	\$0.6	1.7%	S	S
Workers' Compensation (1011)	\$22.4	\$23.9	\$1.5	6.7%	\$22.2	\$23.7	\$1.5	6.8%	S	S
General Fund (1000)	\$0.0	\$0.0	\$0.0	0.0%	\$3.5	\$3.6	\$0.1	2.9%	-	-
Health Benefits (9000)	\$343.8	\$337.5	(\$6.3)	-1.8%	\$343.8	\$346.6	\$2.8	0.8%	\$30.1	\$23.5
LTD (9001)	\$1.3	\$1.3	\$0.0	0.0%	\$1.6	\$1.7	\$0.1	6.3%	\$1.2	\$1.0
Total Human Resources	\$401.9	\$397.7	(\$4.2)	-1.0%	\$405.6	\$410.6	\$5.0	1.2%	\$31.3	\$24.5

Central Svc Revolving Fund (1002) is comprised of Client Relations, Learning & Development Ctr. and Temp. Employee Svc

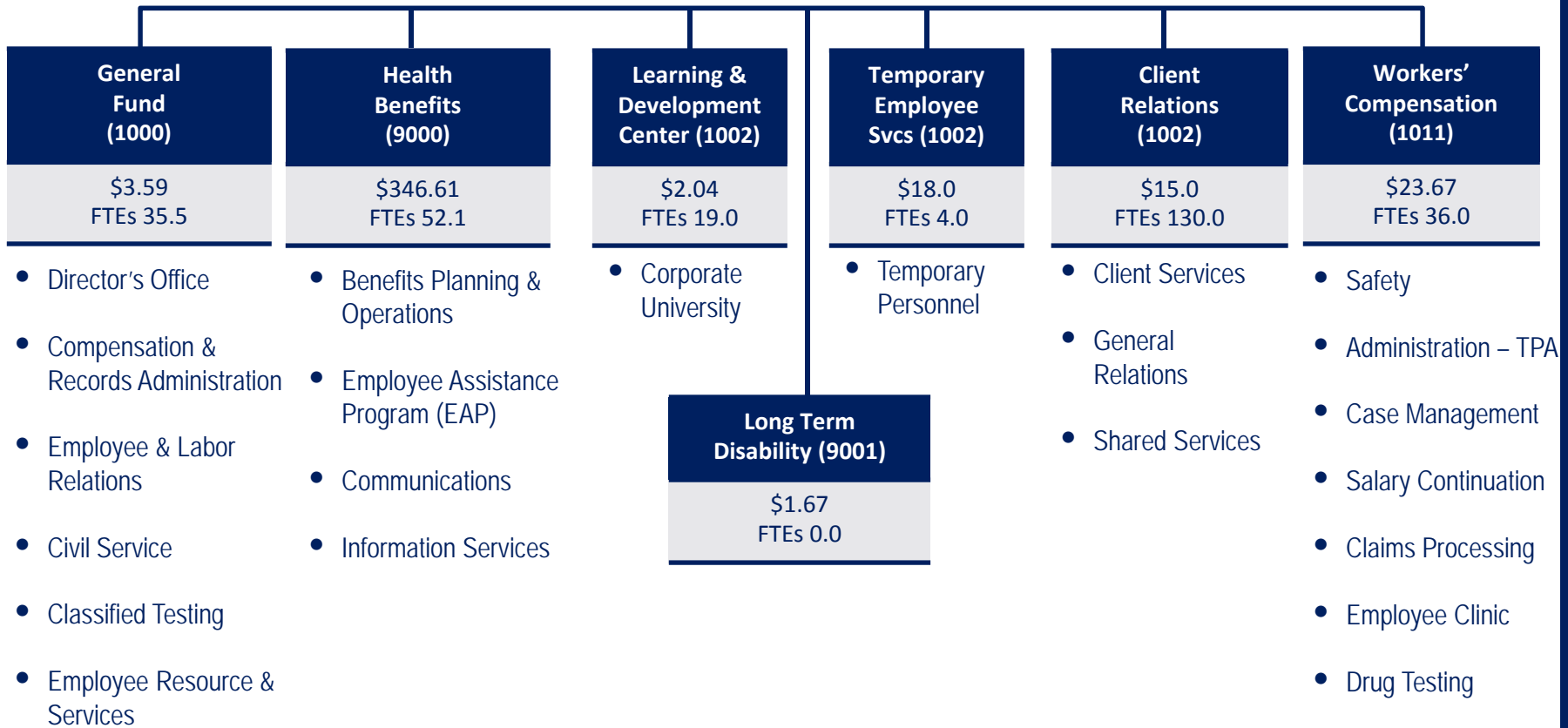
S = Service Chargeback Fund



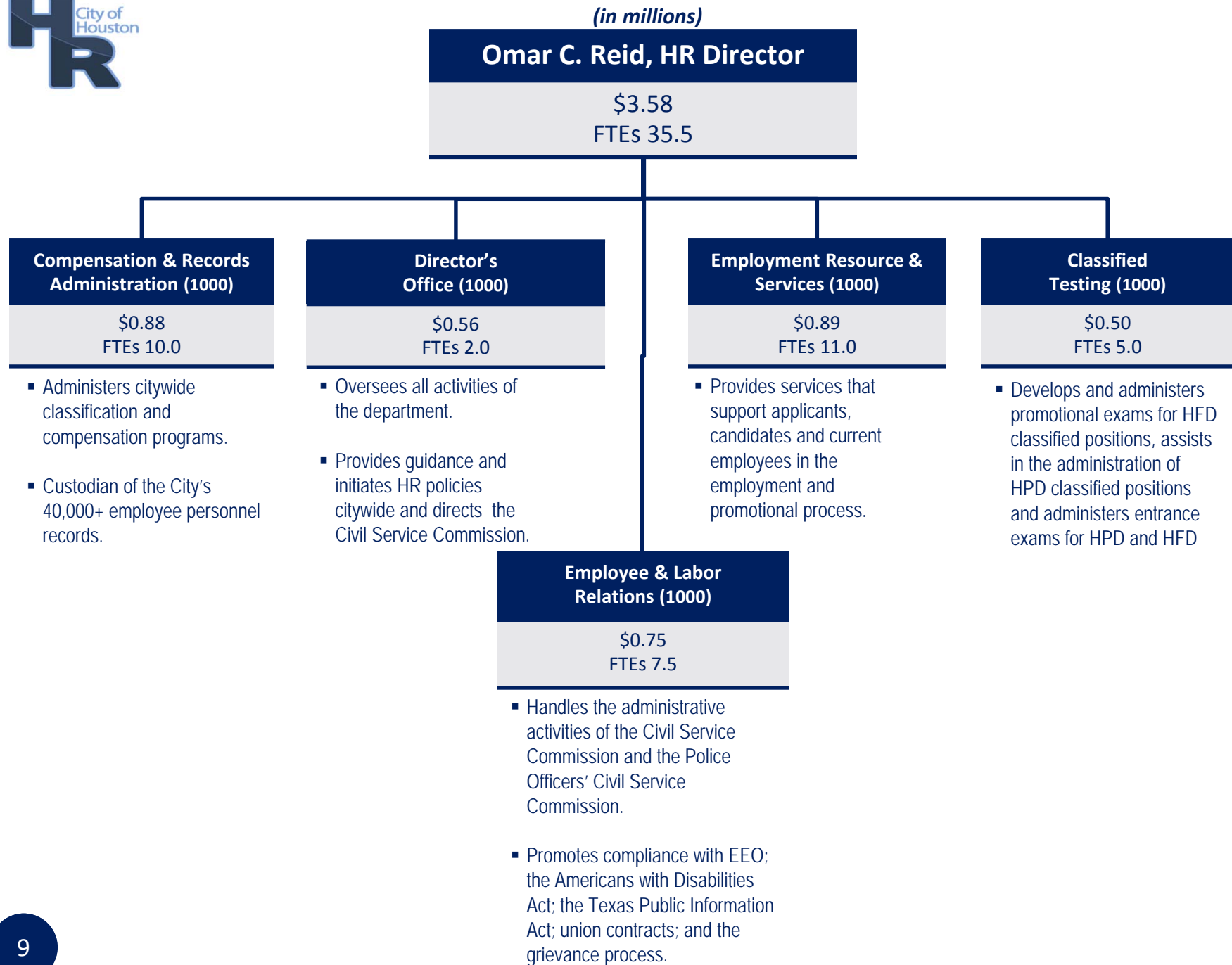
(in millions)

Omar C. Reid, HR Director

\$410.58
FTEs 276.6



OPERATING FUNDS





(in millions)

Omar C. Reid, HR Director

\$35.0
FTEs 153.0

**Learning & Development
Center (1002)**

\$2.0
FTEs 19.0

- An employee performance improvement organization that provides ongoing learning for city employees.

**Client
Relations (1002)**

\$15.0
FTEs 130.0

- A consolidated entity that originates and leads Human Resources practices and objectives.

**Temporary Service
Program (1002)**

\$18.0
FTEs 4.0

- Performs all acquisitions of temporary employees and information technology staffing resources and ongoing contract administration tasks, which allows the city departments to focus on their project tasks and deadlines.



(in millions)

Omar C. Reid, HR Director

\$372.0
FTEs 88.1

Workers' Compensation (1011)

\$23.7
FTEs 36.0

- **Workers' Compensation Program** is 100% self-insured, and is administered by our claim coordinators with third-party claim adjudication.
- **The Safety Division** administers the city's accident prevention program; investigates accidents; issues comprehensive safety studies; conducts safety education courses; and coordinates safety audits, inspections and surveys.
- **Employee Physical Exam and Drug Testing Facility** provides citywide drug testing and new employee medical screening services.

Long Term Disability (9001)

\$1.7
FTEs 0.0

- Process long term disability claims for eligible employees.

Health Benefits (9000)

\$346.6
FTEs 52.1

- Responsible for the strategic direction of the City's Benefits Program.
- Designs, procures, implements, communicates, and administers the City's Health Benefits Delivery System.
- Includes health, dental, vision, life insurance, two flexible spending accounts, and accrued leave donation.

REVENUES BY FUND

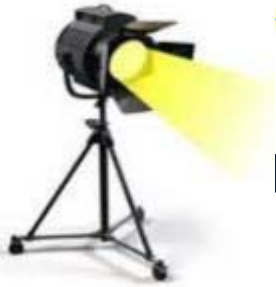
FUNDS (in millions)	FY14 Actual	FY15 Budget	FY15 Estimate	FY16 Budget	Inc/(Dec)	%
					FY16 Bud vs. FY15 Est	
Client Relations (1002)	\$11.3	\$12.8	\$12.8	\$15.0	\$2.2	17.2%
Learning & Development Center (1002)	\$1.7	\$1.9	\$1.8	\$2.0	\$0.2	11.1%
Temp. Employee Services (1002)	\$14.4	\$19.7	\$19.8	\$18.0	(\$1.8)	-9.1%
Total Central Svc Fund (1002)	\$27.4	\$34.4	\$34.4	\$35.0	\$0.6	1.7%
Workers' Compensation (1011)	\$23.6	\$22.4	\$22.4	\$23.9	\$1.5	6.7%
General Fund (1000)	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	0.0%
Health Benefits (9000)	\$339.8	\$343.8	\$337.9	\$337.5	(\$0.4)	-0.1%
LTD (9001)	\$1.3	\$1.3	\$1.3	\$1.3	\$0.0	0.0%
Total Human Resources	\$392.2	\$401.9	\$396.0	\$397.7	\$1.7	0.4%



- ☐ Health Benefits Revenues are contributed by city employees and retirees.
- ☐ Benefits paid 100% by the subscribers include:
 - ☐ Medical Flexible Spending Account
 - ☐ Dental
 - ☐ Supplemental Life Insurance
 - ☐ Vision
 - ☐ Dependent Care Spending Account
- ☐ The other funds revenues are provided by City departments by direct charge backs (workers' compensation claims) or allocations based on headcount (long term disability).

EXPENDITURES BY FUND

FUNDS (in millions)	Expenditure	Expenditure	Expenditure	Expenditure	Inc/(Dec)	%	FTEs	FTEs
	FY14	FY15	FY15	FY16	FY16 Bud vs.		FY15	FY16
	Actual	Budget	Estimate	Proposed	FY15 Bud		Budget	Prop.Bgt
Client Relations (1002)	\$11.3	\$12.8	\$12.8	\$15.0	\$2.2	17.2%	129.0	130.0
Learning & Development Center (1002)	\$1.7	\$1.9	\$1.8	\$2.0	\$0.1	5.3%	18.0	19.0
Temp. Employee Services (1002)	\$14.4	\$19.7	\$19.8	\$18.0	(\$1.7)	-8.6%	4.0	4.0
Total Central Svc Revolving Fund (1002)	\$27.4	\$34.4	\$34.4	\$35.0	\$0.6	1.7%	151.0	153.0
Workers' Compensation (1011)	\$23.6	\$22.2	\$22.2	\$23.7	\$1.5	6.8%	34.1	36.0
General Fund (1000)	\$3.3	\$3.6	\$3.5	\$3.6	\$0.0	0.0%	35.0	35.5
Health Benefits (9000)	\$319.0	\$343.8	\$335.4	\$346.6	\$2.8	0.8%	52.6	52.1
LTD (9001)	\$0.3	\$1.6	\$1.5	\$1.7	\$0.1	6.7%	0.0	0.0
Total Human Resources	\$373.6	\$405.6	\$397.0	\$410.6	\$5.0	1.3%	274.5	276.6



FTE Variances

FTEs increased by 2.1:

- ◆ **General Fund – Increased by 0.5**
 - Increase due to one additional staff member to Employee Relations which is offset by vacancy factor
- ◆ **Client Relations – Increased by 1.0**
 - Increase due to one additional staff member to handle FMLA responsibilities
- ◆ **LDC – Increased by 1.0**
 - Increase due to one additional staff member to implement organizational development program
- ◆ **Workers' Compensation – Increased by 1.9**
 - Increase due to position change from part time to full time in the Drug Testing section (0.2) which is offset by prior year vacancy factor
- ◆ **Health Benefits – Decreased by 2.3**
 - Decrease due to vacancy factor

Central Service Revolving Fund

(Increased \$0.6)

(in millions)

☐ Client Relations

\$2.2

- ◆ Increase is primarily due to the need for consultants to develop the required promotional exams for HFD Fire Captain and Sr. Fire Captain positions

☐ Learning & Development Center

\$0.1

- ◆ Increase due to additional personnel training needs in order to implement organizational development program

☐ Temporary Employee Services

-\$1.7

- ◆ Decrease based on city department's anticipated needs for temporary staff



Other Funds

(increased \$4.4)

(in millions)

☐ Workers' Compensation Fund

\$1.5

- ◆ Increase in new TPA contract in FY16 (\$.6); slight increase in claims cost (\$.3); reduced vacancy (\$.6)

☐ Health Benefits

\$2.8

- ◆ Slight increase. However, favorable claim trend continues.

☐ LTD (Long Term Disability) Fund

\$0.1

- ◆ Increase due to employee medical claims and management consulting services



CLIENT RELATIONS (1002)					
Customer Measures	Priorities	FY14 Actual	FY15 Budget	FY15 Estimate	FY16 Budget
Classified Recruiting Events	J	779	600	500	500
Temporary Employee FTEs (average)	F	303	360	425	408
Temporary Employee Hours Worked	F	632,191	750,000	885,000	850,000
Expenditures Budget vs Actual Utilization	F	98%	100%	100%	100%
Revenues Budget vs Actual Utilization	F	98%	100%	100%	100%

Mayor's Five Priorities: Jobs and Sustainable Development (J); Public Safety (P); Infrastructure (I); Fiscal Responsibility (F); Quality of Life (Q)

WORKERS' COMPENSATION (1011)					
Customer Measures	Priorities	FY14 Actual	FY15 Budget	FY15 Estimate	FY16 Budget
Injured Employee Claims	F	1,816	1,909	1,790	1,750
Lost Time Workers' Compensation Claims Costs (average)	F	8,416	9,422	8,769	8,303
Lost Time Workers' Compensation Claims Reported	F	467	475	455	450
Expenditures Budget vs Actual Utilization	F	96%	100%	100%	100%
Revenues Budget vs Actual Utilization	F	95%	100%	100%	100%

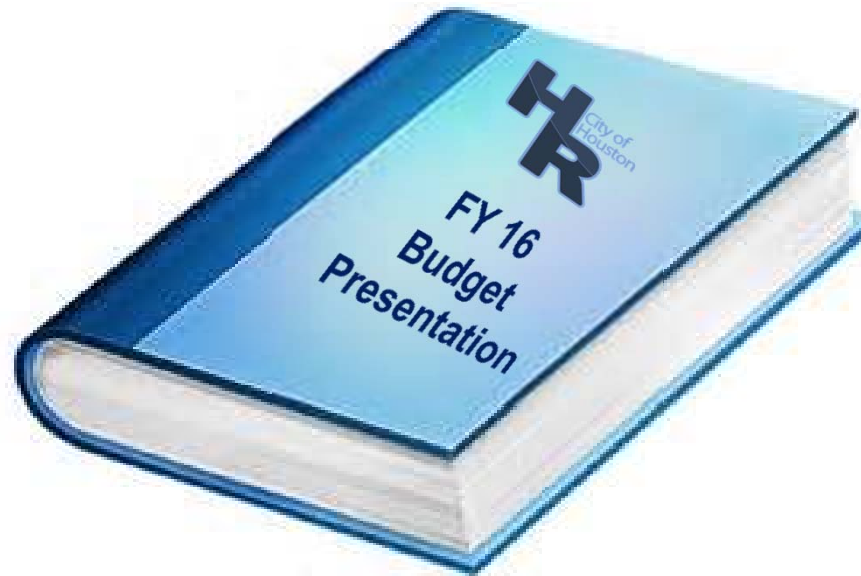


GENERAL FUND (1000)					
Customer Measures	Priorities	FY14 Actual	FY15 Budget	FY15 Estimate	FY16 Budget
Audit Active Personnel Files	J	10,160	16,519	24,778	20,000
Average Job Applications per Posting	J	N/A	75	80	80
Days to Fill	J	37	37	35	35
Job Applications Processed	J	269,505	188,721	283,081	290,000
New Hires Activity	J	2,388	983	1,475	1,500
Participate In and Conduct Pay Structure Surveys	J,F	247	122	183	180
Total Positions Filled	J	4,287	3,017	4,500	4,500
Expenditures Budget vs Actual Utilization	F	93%	98%	98%	98%
Revenues Budget vs Actual Utilization	F	2097%	100%	197%	100%

Mayor's Five Priorities: Jobs and Sustainable Development (J); Public Safety (P); Infrastructure (I); Fiscal Responsibility (F); Quality of Life (Q)

HEALTH BENEFITS (9000)					
Customer Measures	Priorities	FY14 Actual	FY15 Budget	FY15 Estimate	FY16 Budget
Facilitate Biometric Screenings	Q,F	6,782	N/A	6,256	5,000
Health Assessment Participation	Q,F	88%	N/A	85%	85%
Respond to Member Inquiries within 1 Work Day	J	N/A	95%	95%	95%
Wellness Milestone Completion	Q,F	77%	55%	73%	85%
Expenditures Budget vs Actual Utilization	F	89%	98%	98%	98%
Revenues Budget vs Actual Utilization	F	95%	100%	98%	100%





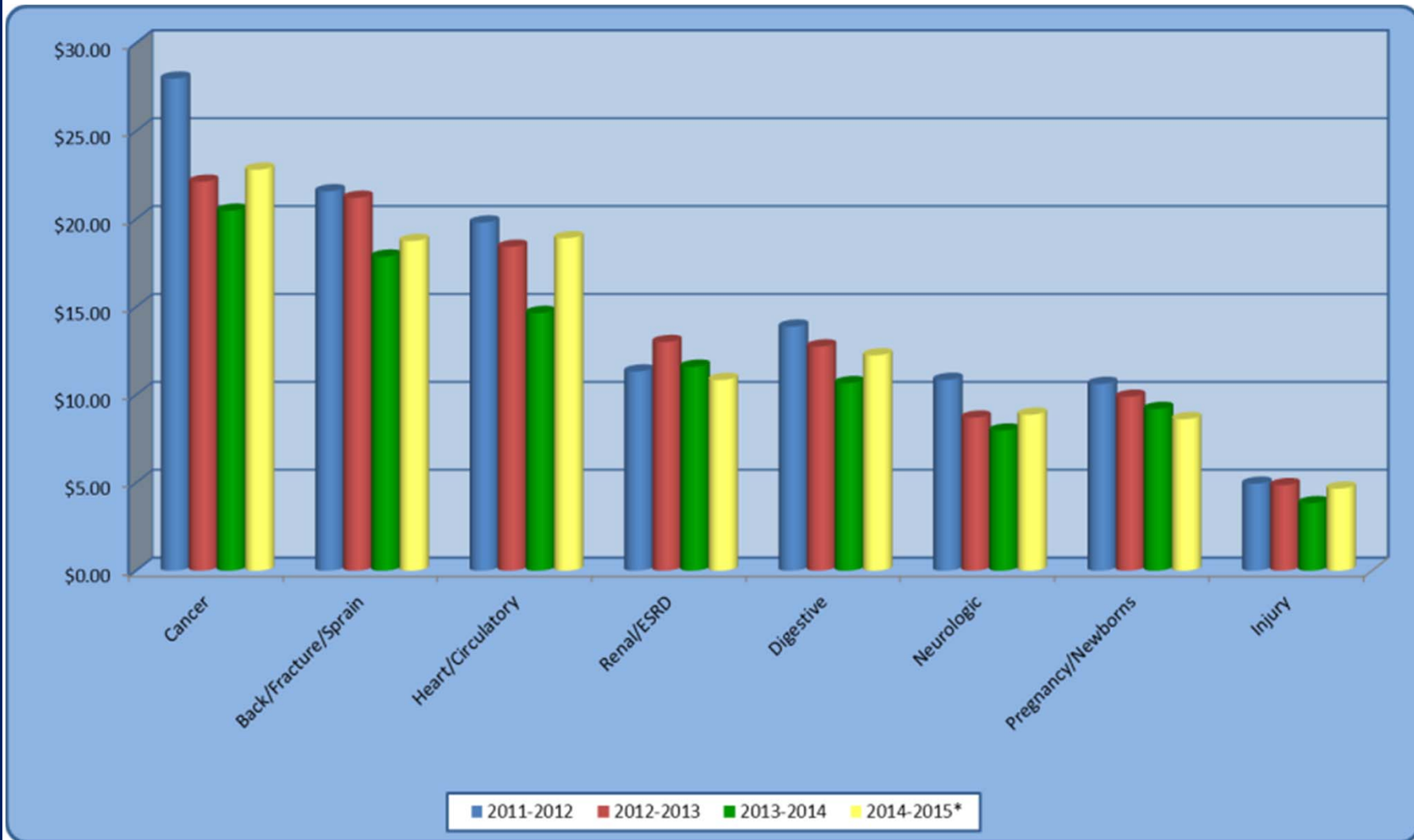
APPENDIX

- P22..... Disease Categories per year by Plan \$ Paid
- P23..... HR Department Demographics
- P24..... CIGNA Medical Claims Trend
- P25..... Health Benefits Plan Expenses
- P26..... WC Incidents & Paid Losses by Year of Injury Occurrence
- P27..... Workers' Compensation Incidents
- P28..... Workers' Compensation -- Total Claims Cost

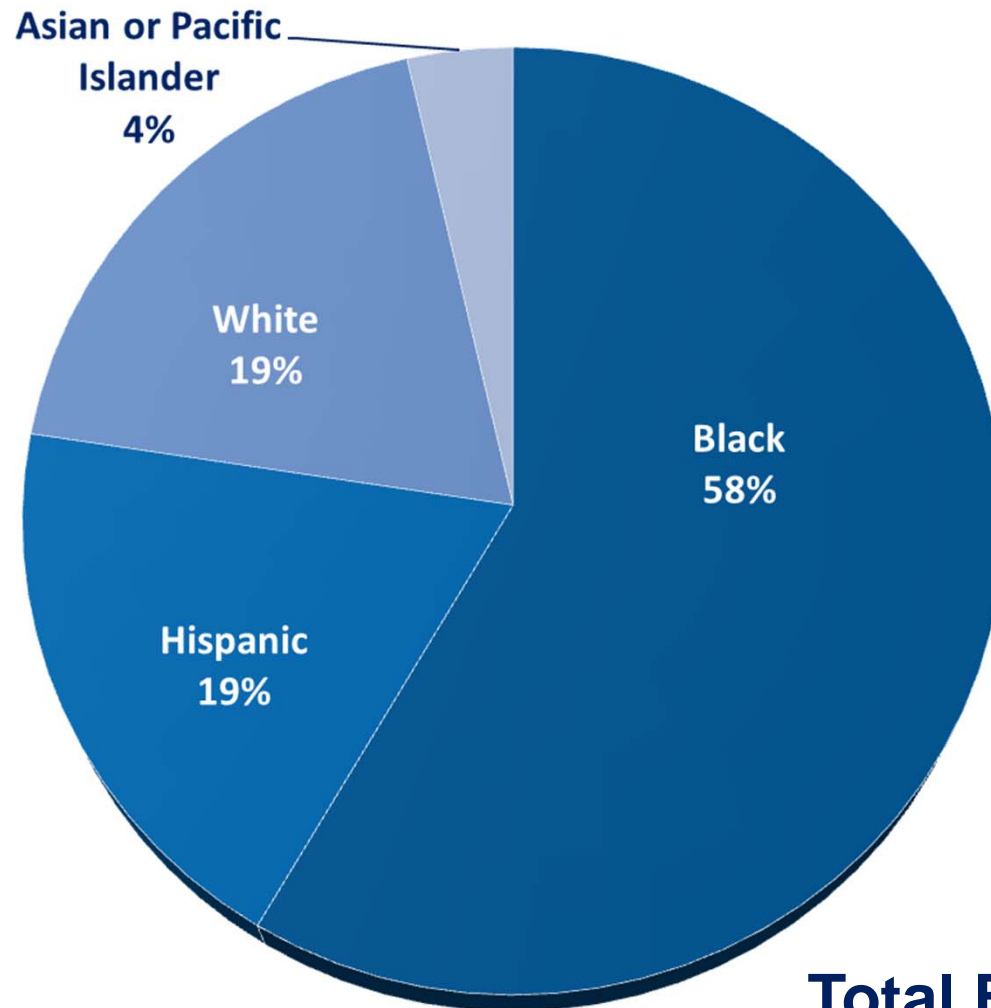
Disease Categories per year by Plan \$ Paid

May 2011 - January 2015; paid thru March 2015

Plan Year 2014-2015 is Annualized



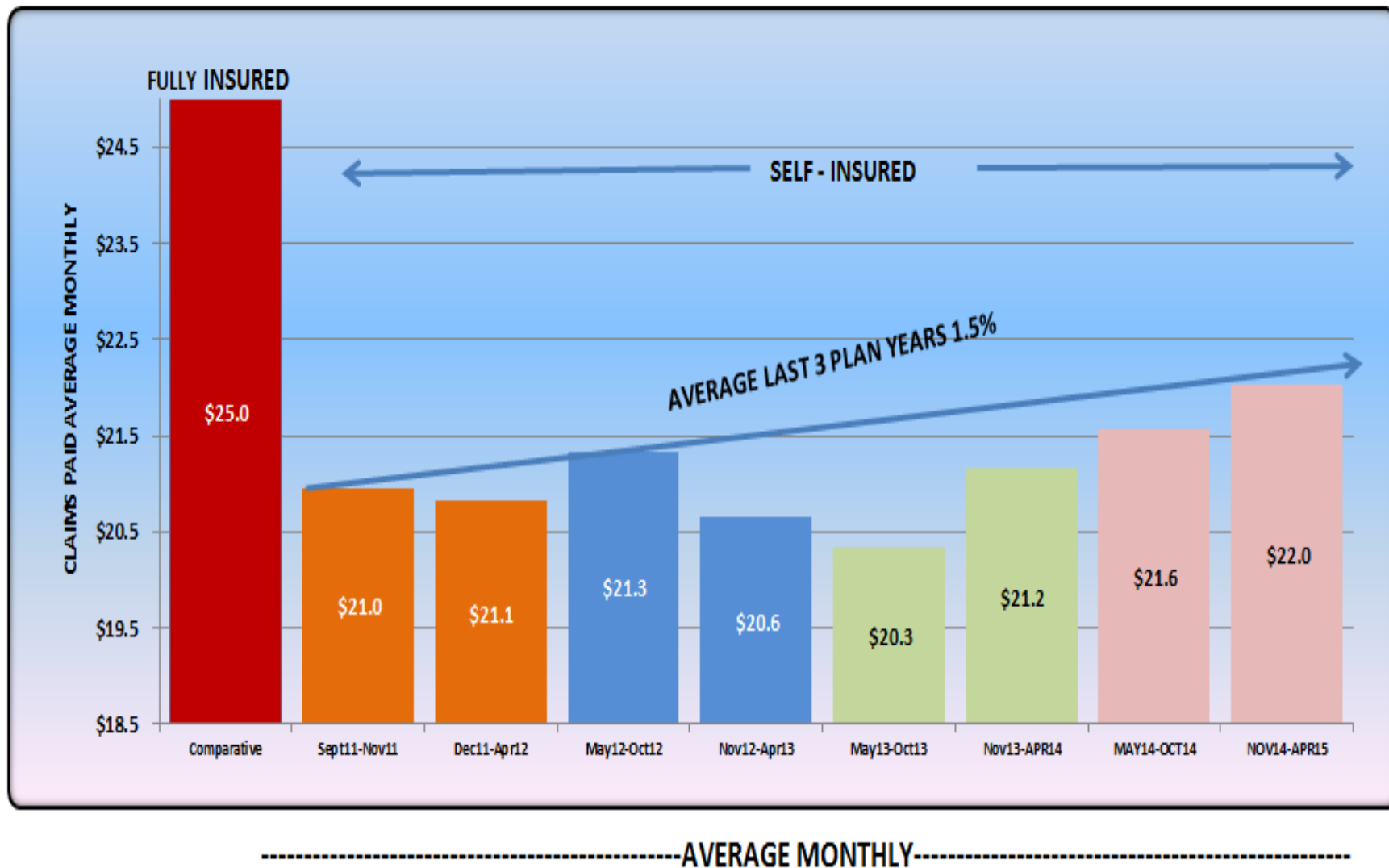
HR Department Demographics



Total Employees: 253
Male: 56
Female: 197

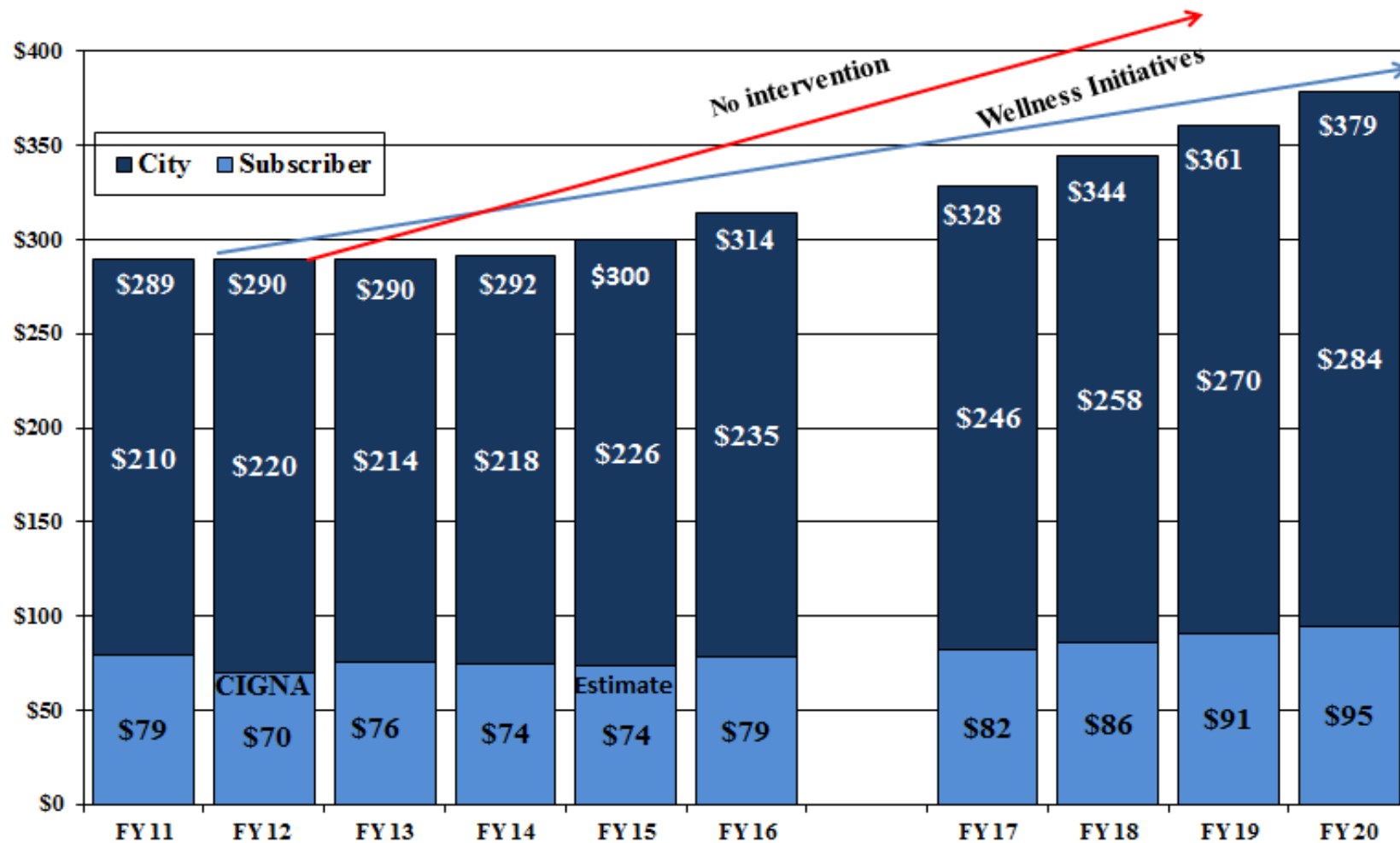
CIGNA Medical Claims Trend

(in millions)



Health Benefits Plan Expenses

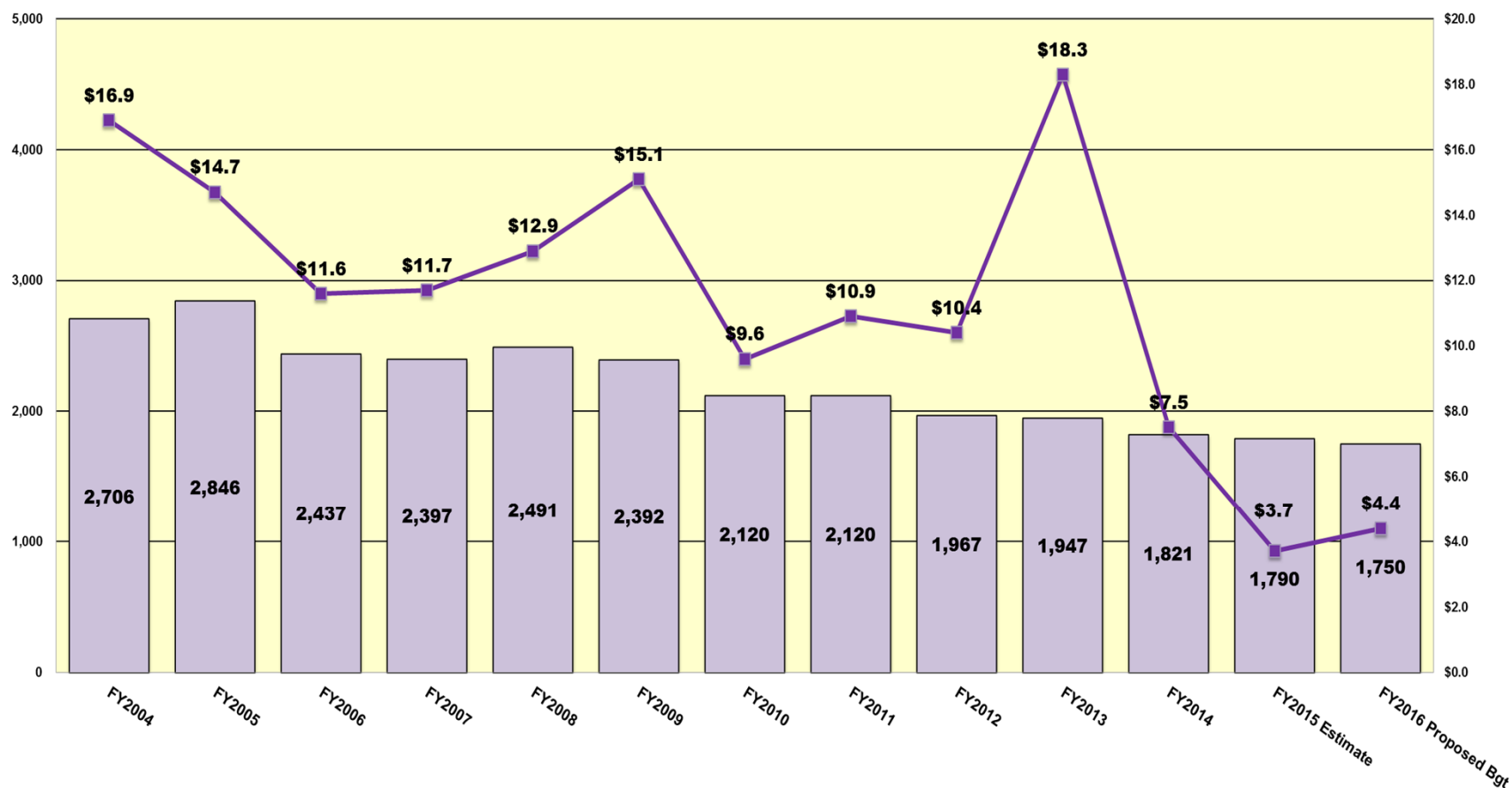
(in millions)



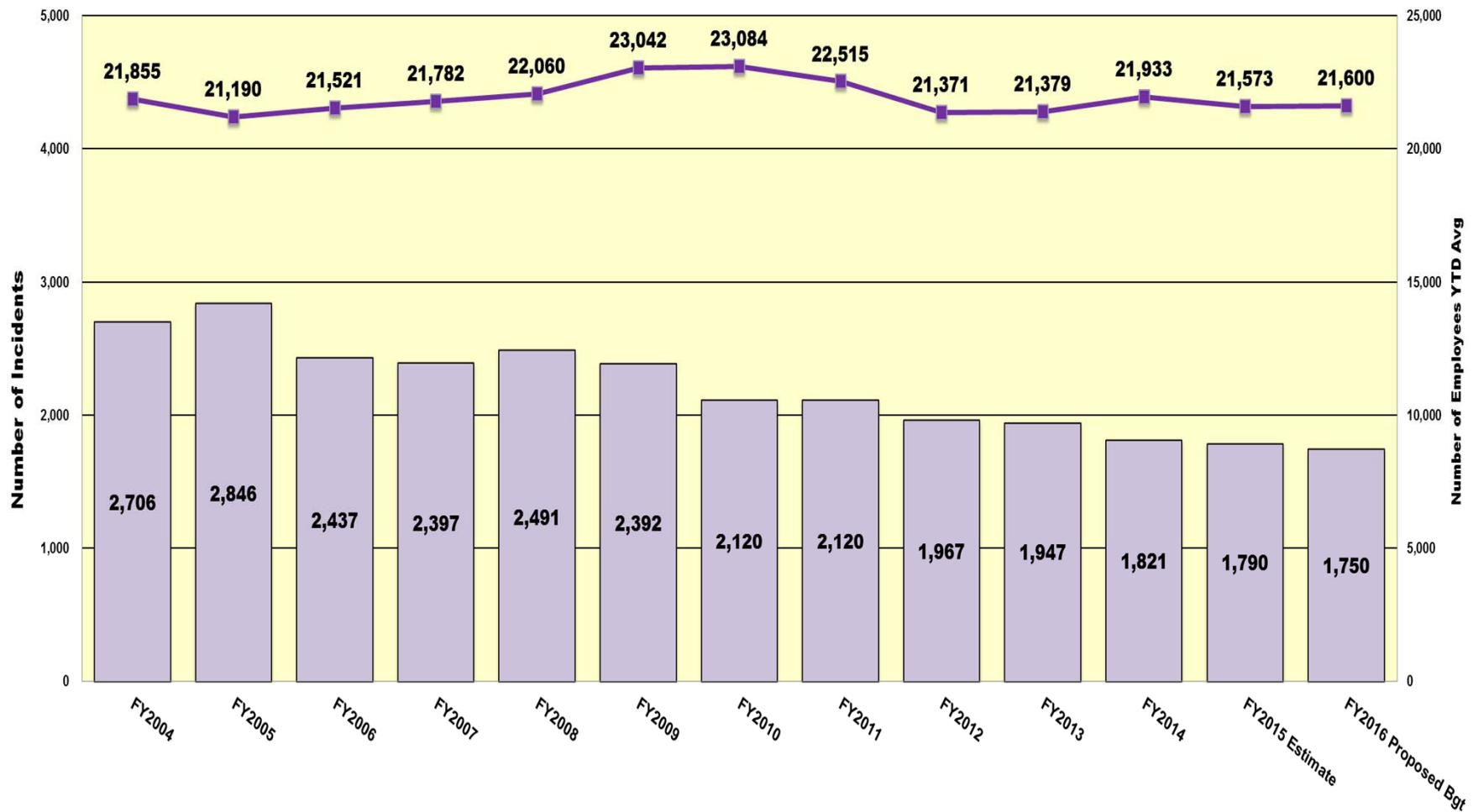
Note: FY12 – FY14 includes Early Retiree Reinsurance Program (ERRP) funds.

Assumes average 4.8% increase FY17 forward

WC Incidents & Paid Losses by Year of Injury Occurrence



Workers' Compensation Incidents



Workers' Compensation -- Total Claims Cost

FY2004 Through FY2016

(in millions)

